



Vietnam Market for Education and Training

By U.S. Commercial Service – Vietnam
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Overview

Educational exchange is a cornerstone of the U.S. bilateral relationship with Vietnam and a top prospect opportunity for U.S. universities and educational institutions. Significant increases in per capita income over the past ten years, the robust expansion of both the manufacturing and service sectors, and the value Vietnamese traditionally place on education are creating substantial opportunities for education and training services providers. However, competition will continue to grow as globalization creates more opportunities for study elsewhere. Competitors in Asia (including Australia and Singapore) promote proximity, affordable costs, and the possibility of post-graduation employment.

According to statistics from the Ministry of Education and Training, as many as 1.8 million candidates have registered for this year's university entrance examination across the country, of which 1.3 million have applied for universities and 500,000 for colleges in July 2012. Currently, there are 234 universities and 185 colleges operating in higher education system in Vietnam. Vietnamese universities had room for only about 600,000 of the 1.8 million candidates who took university/college entrance exams this year.

Improving domestic education is a top priority in various Vietnamese Government plans and initiatives which include ambitious goals, such as a 10 percent annual increase in domestic university enrollment and developing a higher education system more in line with regional and global standards. To this end, recently the Vietnamese Government has increased budget allocations, liberalized private sector involvement, and encouraged foreign participation in developing education and training services in Vietnam. However, many observers find the reform process to be slow, and domestic higher education falls far short of meeting demand.

Demand

With a population over 90 million and positive GDP growth, Vietnam is a promising market for U.S. providers of education.

Vietnam's economy has seen robust economic growth for the last decade, and Vietnam has ambitious plans to attract foreign investment, create new industries, and put in the necessary infrastructure to continue economic development. With more than 50 percent of Vietnam's population under the age of 30, creating a well-trained labor force is crucial for development. Education and training are top priorities for the Vietnamese government, which needs to equip the labor force with scientific, technological, and management skills. As new industries expand, a university degree is increasingly essential for young Vietnamese workers searching for higher paying jobs in newly emerging industries.

The government has acknowledged that the current education system is unable to meet demand. According to a survey conducted by the Vietnamese government, the World Health Organization, and UNICEF, 90 percent of students in Vietnam want to enroll in a university. In practice, however, opportunities for higher education are limited since the system can accommodate only a fraction of those seeking admission. Although the number of university students has doubled since 1990, the number of teachers remains virtually unchanged. Furthermore, a growing percentage of university graduates cannot find jobs in their field (or at all) without further training, demonstrating a need for a more practical and effective education system. As a result, many Vietnamese students are looking for education opportunities outside of Vietnam.

Key Trends and Statistics

With a booming economy, increased global integration and exposure, and a great need for higher education, the Vietnamese are showing an unprecedented level of interest in studying in the United States. According to Open Doors 2012, the annual report on international academic mobility published by the Institute of International Education, the facts are as follows:

- In the 2011/12 academic year, 15,572 students from Vietnam were studying in the United States (up 4.6% from the previous year). Vietnam now ranks 8th among the countries of origin, up from 20th in 2006, at U.S. educational institutions.
- In terms of academic level, the majority of Vietnamese students study at the undergraduate level. In 2011/12, their breakdown was as follows: 72.2% undergraduate; 17% graduate students; 5.5% other; and 5.2% OPT (Optional Practical Training).
- The U.S. is the world's second leading English-speaking host of Vietnamese students behind Australia.
- Over half of the Vietnamese students studying in the U.S. are located in Texas, Washington, and California.

Historical trends: The number of students from Vietnam fluctuated moderately throughout the 1980s and 1990s with a steady trend of growth beginning in the late 1990s. The number of Vietnamese students has risen significantly since 1998/99, with double-digit growth in many years. Vietnam has been a top 20 place of origin since 2006/07 and remains a top 10 place of origin for international students in the United States since 2011/12.

Year	# of Students From Vietnam	% Change from Previous Year	# of US Students Studying in Vietnam
2011/12	15,57	4.6%	n/a
2010/11	14,88	13.5%	881(up 28.4%)
2009/10	13,11	2.3%	686 (up 2.1%)
2008/09	12,82	46.2%	672
2007/08	8,76	45.3%	652
2006/07	6,03	31.3%	550
2005/06	4,59	25.3%	390
2004/05	3,67	16.0%	346
2003/04	3,16	16.3%	283
2002/03	2,72	7.5%	286

2001/02	2,53	25.2%	218
2000/01	2,02	-10.8%	188
1999/00	2,26	42.8%	142
1998/99	1,58	-	95

Source: Open Doors: Report on International Educational Exchange, published annually by IIE with support from the U.S. Department of State's Bureau of Educational and Cultural Affairs.

Best Prospects

Top areas of study for Vietnamese students include ***business management, finance, engineering, science and technology, IT, and health care programs***. In addition, a number of opportunities exist that target the specific needs of the Vietnamese market:

4-year Degree University Study

More Vietnamese students are pursuing 4-year study in universities. Business management, banking and finance, engineering, science and technology, IT, and health care programs are often their top choices.

ESL and English Preparatory Programs

As Vietnam transitions to a market economy, English skills are becoming essential for many job seekers. Schools that offer ESL and English preparatory programs are attractive choices for students who need to develop these skills before starting their college programs.

Community Colleges

Community colleges offer financial and academic accessibility, serve as a bridge for Vietnamese students to acclimate to English, American culture and the U.S. education system, as well as a transition to four-year universities. Vietnam is the 5th largest country of origin for students at U.S. community colleges.

Programs aimed at cultivating ‘Soft Skills’

Due to the rote-learning style of the Vietnamese education system, there is a need to cultivate skills such as leadership, public speaking and teamwork.

Market Challenges

While Vietnam's per capita GDP is climbing steadily, the median income in 2012 was \$1,300 although it is substantially higher in the large cities of Ho Chi Minh City and Hanoi. Even with assistance, the majority of Vietnamese families cannot afford the costs associated with an overseas education. Providing clear information about available financial aid and payment plans is important.

In the last few years, a number of U.S.-affiliated companies offering unaccredited programs have created a firestorm of criticism about “diploma mills” and “rogue providers” of education in Vietnam. U.S. schools should provide clear information about their accreditation.

Competing school programs from Australia, Singapore, the U.K. and Canada have been very active in Vietnam, and have developed significant reputations and brand recognition while

offering competitively priced programs.

Given the high demand for visas to the U.S., a large number of unscrupulous “visa brokers” and consultants promising access to the U.S. have gravitated toward education advising and recruitment. U.S. schools that wish to identify a legitimate recruitment agent need to carefully review and investigate any prospective candidates and avoid the disreputable ones. Schools should avoid agents that are solely motivated by commissions irrespective of the needs of the student, and especially those who do not transparently disclose their fee and commission structure to clients.

Marketing Strategies

The following strategies have proven effective in marketing education services to Vietnam. This is not an exhaustive list and should serve as a starting point for American schools that are considering recruitment in Vietnam.

Appoint a Representative

Local representation is essential for the success of any American schools in the Vietnamese market. Local students and parents tend to depend on people who are located in Vietnam, with whom they can communicate about the many issues involved in applying for admission and studying in the U.S. A representative could be an alumnus or someone with ties and familiarity with your school to handle in-country marketing, outreach and serve as a local point of contact.

U.S. education institutions often appoint a professional education agent to represent their school. Education agents typically represent other schools - from the U.S. or other countries – and provide a wide range of counseling services directly to parents and students. U.S. schools seeking agents should thoroughly vet prospective partners.

Establish an Alumni Network

One of the most effective and low-cost ways of recruiting students is to establish and support an alumni network in Vietnam. There is no better promoter of your school than a student who achieved success and returned to Vietnam to tell his/her friends and family about their experiences.

Exhibit at Major Education Fairs

There are several education fairs in Vietnam annually, including fall and spring events organized by the Institute of International Education (IIE).

According to IIE’s statistics, these fairs are the largest and most-attended events of their kind in Vietnam. IIE’s well-established reputation and professional expertise offer U.S. education institutions a convenient and cost-effective method to obtain first-rate exposure in Vietnam.

For more information, please visit:

<http://www.iievn.org>

Stand-alone Marketing Events

Universities or university consortia frequently organize outreach visits to local high schools, and hold seminars and counseling sessions, often employing a local partner or representative to

organize and handle the necessary paperwork and public event approval process.

Become Familiar with Vietnamese Education-related Organizations

Schools should familiarize themselves with the many groups in Vietnam that are promoting U.S.- Vietnam education exchange such as the nonprofit organization VietAbroad.

<http://vietabroad.org>

Vietnamese Materials and Websites

While many prospective students are comfortable with English, schools will reach a wider audience - and appeal to more parents - with Vietnamese promotional materials and websites.

U.S. Commercial Service Programs

Many U.S. colleges and universities do not have the financial wherewithal to launch expensive recruitment strategies in Vietnam, so the U.S. Commercial Service has designed a series of promotional opportunities to fit every budget.

1) Targeting the Agent Market, Virtual Agent Fairs (\$650)

Participating schools join these periodic virtual matchmaking fairs that introduce appropriate education agents, school counselors, and other partners via web-based “webinar” meetings. Virtual partner fairs will concentrate on different segments each time, such as the undergraduate, community college, and Intensive English Program segments. The first VEF of 2013 will be hosted on March 28 is for the Boarding school. Interested school can contact Greg Thompson, Education Team Leader at Greg.Thompson@trade.gov for more information.

2) Targeting the Agent Market, Gold Key Matchmaker Programs

Participating schools get individually tailored programs and come to Vietnam for face-to-face meetings with prescreened potential partners and important contacts from the southern educational market.

3) Targeting the Student Market, U.S. Catalog Pavilions in Hanoi and HCMC

Participating schools gain market exposure and collect leads at Vietnam’s largest student fairs in Hanoi and Ho Chi Minh City. The Commercial Service frequently organizes U.S. pavilions at education fairs that showcase participating schools, and collects and disseminates leads to clients for follow up.

Resources

Information about studying in the USA is available at the Education USA website, representing a global network of more than 400 advisory centers supported by the Bureau of Educational and Cultural Affairs at the U.S. Department of State. <http://educationusa.state.gov/>

Institute of International Education

<http://iievn.org>

Vietnam Education and Training Center

www.vetecusa.com

Vietnam Education Foundation

www.vef.gov

Viet Abroad

www.vietabroad.org

Higher Engineering Education Alliances

www.heeap.org

American Chamber of Commerce in Vietnam

<http://www.amchamvietnam.com/>

For further information, please contact the following persons/agencies:

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